

*Before the*  
UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Beech Grove Post Office  
Beech Grove, Kentucky 42322

Docket No. A2012-40

PUBLIC REPRESENTATIVE'S REPLY COMMENTS

(January 9, 2012)

I. INTRODUCTION

*Background.* This case involves an appeal of the Postal Service's decision to close the Beech Grove, Kentucky Post Office and to provide the former patrons of that office with rural route service emanating out of the Calhoun Post Office, located 10 miles away.<sup>1</sup> See Administrative Record /Item No. 47 at 2.<sup>2</sup> In addition, the Postal Service repeatedly refers to the possibility of establishing a Village Post Office in the community, where retail services and post office boxes would be available. If these plans come to fruition, this will be an important source of community-based service. Retail services are also available at the Sebree Post Office, located 8 miles away. *Id.*

*Location.* Beech Grove is an unincorporated community in McLean County, Kentucky. AR Item No. 33 at 2 (Section II). McLean County is situated in the northwestern part of the state and in Kentucky's Western Coal Fields region. <http://www.kentuckycrosswords.com/learn/land.html>. In fact, several respondents to the

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<sup>1</sup> See Petition of Joseph L.V. Dant, October 24, 2011 (Dant Petition) and Notice and Order Accepting Appeal and Establishing Procedural Schedule, November 3, 2011 (Order No. 946 appears at 76 FR 69771 (November 9, 2011)).

<sup>2</sup> Item No. 47 is captioned "Final Determination to Close the Beech Grove, KY Post Office and Continue to Provide Service by Rural Route Service." Its cover page is designated as page 1.

Postal Service's questionnaire note that Alpha Coal Mines (Alpha Natural Resource) plans to start doing business in the area.<sup>3</sup> See, for example, McCarty and Dant Optional Comment Forms.

*Petitioner's position.* Petitioner Dant opposes the closing on grounds that it is a focal point of the community; provides a valuable service; and yields minuscule savings. Dant Petition at 1. Moreover, he maintains that the service provided by the Beech Grove Post Office far outweigh "the tiny savings" the Service anticipates realizing. *Id.* He asserts that businesses and individuals alike will be impacted by the closing. *Id.* Many in the Beech Grove community seem to share the Petitioner's views, as 473 signed a petition supporting retention of the Post Office. See AR/Item No. 47.

*Others' positions.* Patron Nolan Clouse, holder of P.O. Box 5 adds: "We believe this post office is one of the best in McLean County." Kentucky State Representative Jim Gooch, Jr. states: "While I understand that we must all make sacrifices during these tough economic times, I would hate to see my district lost another post office. ... Beech Grove may be a small town, but it has one of the largest farm and construction equipment retailers in the country." AR/Item No. 38 at 29.

*Applicable law.* These Reply Comments incorporate by reference the recitation of standards and law in Commission Order No. 1094 at 6 (Section V) in Docket No. A2011-71, Latham (MO) Post Office, issued January 3, 2012.

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<sup>3</sup> Confirmation of these plans was attempted through a telephone inquiry to Alpha Natural Resources headquarters, but a response had not been received as of date of this filing.

*Current postal operations in Beech Grove.* The following table presents selected data and information about current Beech Grove Post Office operations.

**Table 1**  
Beech Grove (Kentucky) Post Office  
Selected Operational Data and Information

<b>Staffing</b>	<b>Current</b>
Postmaster Position	Vacant since postmaster's retirement on January 1, 2010.
Officer in Charge	OIC is a rural carrier; will return to her job; PMR will be given employment opportunities at other locations.
<b>Customers</b> P.O. Boxes	99* (152 installed)
City Delivery Customers	0
Meter or Permit Customers	2
General Delivery, Rural Route and Highway Contract Route	0
<b>Retail Operations</b>	
Days of Operation Monday through Friday?	Yes
Window Service Hours	8 a.m. to 12 Noon 12:30 p.m. to 4:30 pm
Lobby Hours	24 hours
Saturday?	Yes
Window Service Hours	10 a.m. to 12 Noon
Lobby Hours	24 hours
Seasonal Workload?	No
Bulletin Board	Yes
Average daily retail window transactions/daily workload	22 transactions/ 24 minutes
<b>Bulletin Board</b>	Yes

Source: Adapted from AR/ Item No. 47 at 1.

\*The box count differs slightly in other documents in the record, but the differences are not material.

*Rationale for closing the office.* The Postal Service states that this office was studied for possible closure due to declining workload in mail volume and retail transactions; close proximity to other offices; the ability to obtain operational efficiencies by offering alternate rural route delivery and perhaps a Village Post Office. AR/Item No. 47 at 2 (Section I, paragraph 3).

*Proposed alternative operations.* If the Beech Grove Post Office closes, the Postal Service plans to provide Beech Grove residents with rural route service administered out of the Calhoun Post Office. *Id.* Calhoun has 310 available boxes. *Id.* The Sebree Post Office is 8 miles away. *Id.* There is also the possibility of a Village Post Office, which would offer retail services and post office boxes. *Id.* In fact, the Postal Service's response to Representative Gooch affirmatively states:

The Postal Service is investigating the possibility of providing alternate service via a Village Post Office (VPO) in the Beech Grove Community. This service would be provided by a local retailer. The VPO will continue to provide PO Box service (PO Box customers will not experience any change in address.) The VPO would also have a parcel locker available for PO Box customers to receive packages and a collection box for outgoing mail. The VPO will help retain community identity by allowing customers to continue to use their last line address and ZIP Code.

AR/Item No. 38 at 30.

*Revenue trends.* According to the Postal Service, receipts at the Beech Grove Post Office (as shown in the following table) have declined over the past 3 years:

**Table 2**  
**Beech Grove Post Office**  
**Revenue Trends**

Year	Amount (in \$)
FY 2008	29,935
FY 2009	29,637
FY 2010	26,799

Source: AR/Item No. 47 at 2.

*Economic savings.* The Postal Service estimates that closing the Beech Grove Post Office will generate total annual savings of \$44,275. This is based on \$33,168 and \$11,111, respectively, for the Postmaster's salary and benefits, plus \$2700 in annual land rent, less about the same amount — \$2700 — for replacement service. Replacement service, based on a revision to the original filing, consists of about \$1200 annually for VPO service, with the rest covering rural delivery. AR/Item No. 47 (Section IV) and Addendum — Memorandum and Revised Item No. 17 (Alternate service options/cost analysis).<sup>4</sup>

## II. THE INTERESTS OF THE GENERAL PUBLIC

In appeals of post office closings, the interests of the general public typically involve the accuracy of the Administrative Record, the responsiveness of the Postal Service to patrons' concerns, and the transparency of the decision-making process. The Postal Service's supplemental filings and revision of the original proposal indicate it has taken pains to present a sound and accurate Administrative Record.<sup>5</sup> It also shows that the Postal Service pursued a respondent's complaint about misdelivery. See AR/Item No. 22 (unnumbered response to Mr. Dant).

The overall record also indicates that the Postal Service complied with mandatory posting requirements, held a community meeting, and distributed (and evaluated) questionnaires. Petitioner Dant did not challenge the Postal Service's decision on compliance with procedural requirements, and the undersigned's review indicates no such challenge is appropriate. Thus, the focus of these Reply Comments

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<sup>4</sup> See AR/Item No. 47 and United States Postal Service Notice of Filing Addendum to the Administrative Record, December 14, 2011. The savings reflect the Postal Service's conventional approach, which includes a postmaster's salary and benefits, despite the vacancy, and omits the cost of salary continuation for an OIC who remains employed with the Postal Service. Estimated savings would be less (by an unknown amount) if adjusted for these items.

<sup>5</sup> For example, the revised proposal (Item No. 41) and the Final Determination (Item No. 47) has the correct attendance count at the community meeting (10 instead 0). Compare Item No. 33 (Section I, paragraph 6) to Item No. 41 (Section 1, paragraph 6).

is to provide a perspective on some of the “advantages” and “disadvantages” of the closing as presented in Item No. 47 at 2 (Section I).

*Advantages and disadvantages.* The Postal Service identifies seven advantages of the proposal and three disadvantages. See generally AR/Item No. 47 at 4. These are, in large part, identical to the listing of advantages and disadvantages in other administrative records. However, the second advantage is stated as “Customers opting for carrier service will have 24-hour access to their mail.”<sup>6</sup> *Id.* Clarification of this point would be useful, as it seems that 24-hour access in the usual postal sense would only be available if the former patrons opt for box service at the Calhoun Post Office and if the VPO offers 24-hour access. Moreover, even if this sentence is re-worded to reflect access to post office boxes, the advantage of 24-hour access might be weighted by some in the community against the time, gas, and related expense and effort of having to make a 20-mile round trip for the privilege.

The fourth advantage contains two sentences. The first, which is of interest here, reads: “CBUs [Cluster Box Units] can offer the security of individually locked mail compartments.” *Id.* at 4. Security is, in fact, a concern that many respondents to the questionnaire expressed; however, the Postal Service’s proposal for former patrons of Beech Grove does not appear to contemplate the use of CBUs. The Postal Service appears to have resolved this, at least indirectly, in the Addendum, as the 12/12/2011 Memo to the Record corrects a document other than Item No. 47 (the Final Determination) by stating that BG Food Mart and the Smith’s Super Saver are being considered as potential VPO sites, not as CBU sites. See Addendum.

The sixth advantage is: “Saves time and energy for customers who drive to the post office to pick up mail.” This is true for those who opt for rural route service; however, it is not for those who elect to obtain a box in Calhoun. The Addendum indicates that the Postal Service estimates that it may have about 55 boxes to serve at the VPO, so these patrons (more than half the existing number of box holders) would not experience this savings of time and energy, and those electing a box in Calhoun would expend more time and energy, not less. The person responding on behalf of the

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<sup>6</sup> The same wording appears in several administrative records that the undersigned spot-checked; however, if memory serves, there have been (correct) references to post office box service.

Beech Grove Water System, for example, notes “Our Water Office only has 1 office employee.” AR/Item No. 22 (Beech Grove Water System Questionnaire). In short, this “advantage” does not apply across the board.

### III. CONCLUSION

Review of all of the materials filed in this case reveals a situation that is now common in many communities across America: statistics show that the local post office is experiencing declining revenue, the Postal Service finds itself in a financial bind, but local sentiment strongly supports keeping the office open. Fortunately, there seems to be some glimmer of hope for Beech Grove patrons in the form of a VPO. It is not clear how far along plans for a VPO are, but the establishment of one would go a long way in providing the community with a more palatable option than outright closure.

Overall, the Postal Service has followed procedural requirements, engaged the community, and alluded to an option — a VPO — that is in the public interest. It also would be in the public interest for the Postal Service to provide an update at some point on VPO developments in Beech Grove. The undersigned asks that the Commission encourage the Postal Service to provide this information at some point.

Respectfully submitted,

Patricia A. (Pat) Gallagher  
Public Representative in Docket No. A2012-40

Postal Regulatory Commission  
901 New York Avenue, NW Suite 200  
Washington, D.C. 20268-0001

pat.gallagher@prc.gov

202) 789-6824 (telephone)  
(202) 789-6861 (facsimile)